

But when the time came to stand up to the banking lobbies and cajole yes votes from reluctant senators—the White House didn't. When the measure failed, there wasn't even a statement of regret.

Mr. Obama's plan to keep struggling Americans in their homes now relies on lenders to voluntarily rework bad loans. The plan provides ample incentives, including payments to servicers who successfully modify loans and, in some cases, payments to mortgage investors who agree to modifications. Whether that will be enough remains to be seen.

The administration estimates that its plan will prevent three million to four million foreclosures, but it will take several months before there is enough data to evaluate. In the past, however, voluntary modifications have failed to curb the rise in foreclosures. The number of foreclosure filings in March was very high, with estimates between 290,000 and 341,000.

Even if lenders do agree to modify loans, many Americans will still be in trouble. That's because nearly 14 million homeowners are "under water"—they owe more on their mortgages than their homes are worth.

In a bankruptcy, such homeowners would likely have their loan principal reduced, lowering their payments and helping them to rebuild equity. In a typical voluntary loan modification, however, the monthly payment is reduced, but not the principal. That puts under-water borrowers at high risk of re-default, because there is no equity to fall back on if a financial setback leaves them unable to make mortgage payments.

The negative feedback loop—foreclosures beget falling home prices, which beget foreclosures, further weakening the banks—is well under way. We hope the president's plan can break the loop, but without bankruptcy reform it is going to be a lot harder.

In fact, last week we lost what one can say was a final hope for some Americans. With their mortgage completely underwater, credit card bills unpaid, home heating or cooling bills unpaid, healthcare bills unpaid and less food on the table . . . they turn to bankruptcy. This is the last chance and last hope for people who have tried everything else humanly possible to crawl out from under their debt. The decision is hard. Their hearts and souls demoralized, they turn to bankruptcy.

Currently, bankruptcy does not include dealing with one's primary residence. The House passed bill H.R. 1106 included "cramdown" provisions. Not ideal. Not what anyone wants to do, but a tool to help some of the most desperate Americans settle debts and begin again.

No such luck . . . the amendment in the Senate to achieve such a path was defeated. The New York Times editorial harkens this to a negative feedback loop. . . .

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

WORLD PRESS FREEDOM DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

Mr. SCHIFF. Madam Speaker, Sunday, May 3, was World Press Freedom Day. Three years ago, in conjunction with World Press Freedom Day, Congressman MIKE PENCE, Senator CHRIS DODD, Senator DICK LUGAR, and I established the Congressional Caucus for Freedom of the Press.

Since then, this bipartisan, bicameral caucus has sought to highlight the importance of free expression around the world. The caucus is a forum where Members of Congress can come together to combat and condemn media censorship and the persecution of journalists worldwide. Our caucus works to send a strong message that Congress will defend democratic values and human rights wherever they are threatened.

We have hosted panel discussions with press freedom experts, journalists, and victims of press freedom crimes; written to leaders of countries which jail journalists, impose censorship, and allow harassment, attacks, and threats to occur with impunity. We have spoken out here on the House floor and in the media to call for reforms in countries that seek to censor freedom of speech and expression.

Just recently, Representative PENCE and I introduced the Daniel Pearl Freedom of the Press Act, H.R. 1861. This bill is named in honor of former Wall Street Journal reporter Daniel Pearl, who was kidnapped and murdered by terrorists in Pakistan just 4 months after the September 11 attacks.

This legislation will establish annual State Department reports on the status of press freedom in every country in the world and create a grant program aimed at broadening and strengthening the independence of journalists and media organizations.

Our government must promote freedom of the press by putting on center stage those countries in which journalists are killed, imprisoned, kidnapped, threatened, censored—and this will do just that.

A free and independent media provides the nourishment for democracies to thrive and grow. Citizens rely upon credible, accurate information from the media to make informed decisions and hold their leaders accountable. Information is power, which is precisely why many governments attempt to control the press to suppress opposition and preempt dissent.

Far too often, the reporters and editors who demand reform, accountability, and transparency find themselves at risk. The censorship, intimidation, imprisonment, and murder of these journalists are not only crimes against these individuals, but they also impact those who are denied access to their ideas and information.

In 2008, the Committee to Protect Journalists reported that 41 journalists

were killed in connection with their work. Another 125 were falsely imprisoned for their reporting. Unfortunately, 2009 is shaping up to be a similarly dangerous year, having already seen 11 journalists murdered.

For Americans, this should spur us to consider the role that journalists play in our society and to ponder what our Nation would be like if this cornerstone of our liberty were to be curtailed. Many Americans take the concept of a free press for granted and don't realize that an unfettered press is vital to America's national security and to our democracy here at home.

But much of the world's population is not as fortunate as we are when it comes to access to independent news. Recent national news accounts have highlighted American journalists being detained on trumped-up charges in Iran and North Korea.

However, there are dozens of cases like these across the globe that don't get attention. That is why each year, as co-Chairs of the caucus, we host a Special Order hour to highlight countries whose abuses of press freedom are particularly egregious.

In 2007, we focused on Russia, profiling the 18 journalists murdered in Russia during the administration of Vladimir Putin. Last year, we focused on China and its incarceration of more journalists than any other country.

Later this month, we will host another Special Order hour where we will focus on growing press freedom abuses in Sri Lanka. Threats, attacks, imprisonment, and murders of journalists are becoming all too common in Sri Lanka.

This week is a particularly noteworthy week for press freedom in Sri Lanka. J.S. Tissainayagam, a contributor and editor for a number of print and online publications, will stand trial on Wednesday, and he faces a possible 20-year sentence if he is convicted. He is being prosecuted for allegedly inciting communal disharmony related to articles that he wrote as early as in 2006.

In March of 2008, J.S. was arrested under emergency regulations and held without habeas corpus for more than 5 months before being charged. His trial is set to resume on May 6, but it is our hope the Sri Lankan government will drop these baseless charges and release J.S. before the trial resumes.

So today, Madam Speaker, we recognize World Press Freedom Day and call on nations like Sri Lanka to stop the persecution of innocent journalists. We use this day as an occasion to pay tribute to journalists and to reflect upon their role in advancing fundamental human rights.

I want to thank all journalists around the world, especially those who work in harm's way, for doing all they do to foster democracy and promote freedom. Your work does not go unrecognized, and we appreciate your dedication to this noble profession.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. INGLIS) is recognized for 5 minutes.

(Mr. INGLIS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BIG THREE AUTOMAKERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes as the designee of the minority leader.

Mr. CARTER. I think most people know I spent a little time in the courts of this country. I am going to start off this conversation by saying that I'm not a bankruptcy judge, nor a bankruptcy litigant. And, in fact, I do not claim any expertise whatsoever in the area of bankruptcy. But I have some serious concerns that bother me about some things that are going on, and I would hope at least that the American people have these same concerns, because I really believe that the third branch of our government, the Judiciary, is there for recourse for all citizens, big and small. I think they are the fallback position, where politics should not interfere, but due process should prevail.

I believe that the protection of the minority interests of whatever we may be doing, it is best protected in the courts of our country.

I look at what is going on tonight and have been trying to figure out—and, I'm going to tell you, you're going to hear me ask a lot of questions tonight that I would like someone to give answers to, because I don't understand where things are going. But I'm looking at what is going on with the automobile industry in this country.

You know, the big three automakers in this country have been symbols of corporate greatness for my entire lifetime. We all can have a debate about who made the best car, what is the best car ever made, but most Americans would argue for some form of a GM car or Ford or a Chrysler as the best car they ever drove. Our grandfathers and our fathers have owned these vehicles and they have worked with these companies, and they have been respected and honored across this Nation.

Now, these companies are in trouble. At least two of them seem to be in a lot of trouble—Chrysler and General Motors. At least it has been indicated through the media that Chrysler is going to be seeking recourse in the bankruptcy courts.

The reason I say it has been indicated is because, in the normal course of things, what you normally see is that the board of directors, through its chief executive officer, will have a vote or will discuss the economic situation of the company and will come up with the fact that it's just not going to be viable. That at least they need the reorganization and the cancellation of some of their debts to be able to maintain order within the company and be a viable company.

But, in the case of Chrysler, the announcement was made by President Barack Obama to the media in a speech that he made announcing Chrysler would go into bankruptcy—at least it's my personal opinion that I don't believe at that time Mr. Obama held any position in the corporate structure of Chrysler to speak on their behalf, other than he is the President of the United States and he may have more knowledge than some of the rest of us, but it would be normal for Chrysler to make that announcement.

But then it would be normal for the board of directors of Chrysler to fire the executives of their company if they are not doing a good job, and it would be normal for the board of directors of General Motors to do the hiring and firing of executives that they have hired to manage their company.

March 29 of this year, President Obama forced the CEO of General Motors, Rick Wagoner, to resign from his post. As far as anyone can tell, this marks the first time in American history that a United States President has directly intervened in the daily running of an American business.

So we start with that announcement. The CEO, Mr. Wagoner, is fired by the President. Then, the President announces—not the CEO of Chrysler, but the President—announces the bankruptcy of Chrysler.

This bankruptcy, under normal circumstances, would go before a bankruptcy judge. And we have a set of laws that are established in this country—they are called creditors' rights. And we have creditors that stand in different positions when it comes to being repaid on debts, depending on whether they are secured or unsecured creditors, and we have a battery of laws that make that determination, and the bankruptcy court, doing a way more complicated analysis than I just did, comes up with who gets paid what and when and where and how and what happens; what assets are sold, all or part, and these are laws that are on the books that pretty well anybody can go see, and they are from time-to-time changed by the legislative body.

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But we understand now from what the newspapers tell us that the Obama

administration has announced the deal they expect to be rubber-stamped by the bankruptcy court. That deal is, according to the papers, a 55 percent ownership of Chrysler will be owned by the UAW, United Auto Workers. So the laborers of that company will be owning 55 percent of Chrysler. Then, 35 percent of Chrysler will be owned by Fiat, a foreign company out of Italy, and other places, I am sure. Then, 8 percent of Chrysler will be owned by the United States Government, and 2 percent of Chrysler will be owned by the Canadian Government.

I suppose, if we look at who is normally involved in corporate structure, you would have stockholders and preferred stockholders that are probably in there someplace; and, it looks like, to me, that they are divested of any interest in this trade.

Now, let me say that this should be something that the court makes a decision based upon creditors law, but it seems to be this is being shoved into the hands of the court, with an announcement by the White House saying: This is a settlement these people have agreed to, and you will do it this way.

I wonder, who is looking out for the stockholder? I don't own any Chrysler stock, but if I owned a share of Chrysler stock I would think that at one point in time I owned a portion of the Chrysler Corporation, that I was one of the owners of the business. Because we can cut through all the mystique of a corporate structure, the mystique that many call the bad guys, the big corporations. But big corporations are nothing more than a gathering of people who are called shareholders who invest their hard-earned money into a company, expecting that company to make profits and, in turn, return that value to them by an increase in stock price and possibly a dividend. It is Americans and others investing in America. That is what a corporation is all about.

Now, whether it is a small corporation that is in Round Rock, Texas, where I come from, that maybe has 20 shareholders, or whether it is a giant corporation like the Chrysler Corporation that probably has, who knows, a million shareholders, those people have invested their money and they have some interest in that business, and through their representatives that they elect to the board, they supposedly have a voice in what is going on. Yet, if this deal is the deal we are talking about, I don't see where these shareholders, whether they be preferred or whether they be ordinary stock shareholders, I don't see where they are accommodated at all.

You can hear some criticize and say that the Federal Government is taking over the automobile industry. Of course, I am sure that they would argue: Well, certainly not in the case of Chrysler, because we are not going to own but 8 percent of Chrysler. But their agent, the group that donates 99